

UNITED STATES DISTRICT COURT
for the
EASTERN DISTRICT OF WISCONSIN

In the Matter of the Seizure of
(Address or brief description of property or premises to be seized)

UP TO 10,983.26 TETHER (USDT) AND
.00000869 BITCOIN (BTC) CRYPTOCURRENCY
ON DEPOSIT IN BINANCE ACCOUNT USER
ID #23526766 HELD IN THE NAME OF AQIB SHAIKH

Case Number: **24-M-366 (SCD)**

WARRANT TO SEIZE PROPERTY SUBJECT TO FORFEITURE

TO: ASHLEY GENTLE, a Special Agent with the Federal Bureau of Investigation, and any Authorized Officer of the United States.

An application by a federal law enforcement officer or an attorney for the government requests that certain property be seized as being subject to forfeiture to the United States of America. The property is described as follows:

Up to 10,983.26 Tether (USDT) and .00000869 Bitcoin (BTC) cryptocurrency on deposit in Binance account user ID #23526766 held in the name of Aqib Shaikh

I find that the affidavit and any recorded testimony establish probable cause to seize the property.

YOU ARE HEREBY COMMANDED to search on or before 4-4, 2024
(not to exceed 14 days)

☐ in the daytime – 6:00 a.m. to 10:00 p.m. ☒ at any time in the day or night, as I find reasonable cause has been established.

Unless delayed notice is authorized below, you must also give a copy of the warrant and a receipt for the property taken to the person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the property was taken.

An officer present during the execution of the warrant must prepare, as required by law, an inventory of any property seized and the officer executing the warrant must promptly return this warrant and a copy of the inventory to United States Magistrate Judge Stephen C. Dries.

☐ I find that immediate notification may have an adverse result listed in 18 U.S.C. §2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person, who, or whose property, will be searched or seized (check the appropriate box) ☐ for _____ days. (not to exceed 30)

☐ until, the facts justifying, the later specific date of _____

Date and time issued 3-21, 2024; 11:55 a.m.

Stephen C. Dries
Judge's signature

City and state: Milwaukee, Wisconsin

THE HONORABLE STEPHEN C. DRIES
United States Magistrate Judge
Name & Title of Judicial Officer

Return

Case No.:

Date and time warrant executed:

Copy of warrant and inventory left with:

Inventory made in the presence of:

Inventory of the property taken:

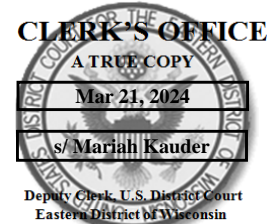
Certification

I declare under penalty of perjury that this inventory is correct and was returned along with the original warrant to the designated judge.

Date: _____

Executing officer's signature

Printed name and title



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APPLICATION FOR A WARRANT TO SEIZE PROPERTY SUBJECT TO FORFEITURE

I, Ashley Gentle, being duly sworn depose and say:

I am a Special Agent with the Federal Bureau of Investigation and have reason to believe that in the Northern District of California there is now certain property, namely, up to 10,983.26 Tether (USDT) and .00000869 Bitcoin (BTC) cryptocurrency on deposit in Binance account user ID #23526766 held in the name of Aqib Shaikh, that is civilly forfeitable under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1), and criminally forfeitable under 18 U.S.C. § 981(a)(1)(C) in conjunction with 28 U.S.C. § 2461(c), as property that consists of, or is traceable to, proceeds of wire fraud committed in violation of 18 U.S.C. § 1343, and which property is therefore also subject to seizure for purposes of civil forfeiture under 18 U.S.C. § 981(b)(2) and for purposes of criminal forfeiture under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

The application is based on these facts:

☒ Continued on the attached sheet.

☐ Delayed notice of _____ days (give exact ending date if more than 30 days: _____) is requested under 18 U.S.C. § 3103a, the basis of which is set forth on the attached sheet.

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone and email.

3-21-24

Date and time issued

Ashley Gentle
Signature of Affiant
Ashley Gentle, FBI

at Milwaukee, Wisconsin
City and State

Stephen C. Dries, U.S. Magistrate Judge
Name & Title of Judicial Officer

Stephen C. Dries
Signature of Judicial Officer

**AFFIDAVIT IN SUPPORT OF
APPLICATION FOR SEIZURE WARRANT**

I, Ashley Gentle, have been duly sworn on oath, state as follows:

Affiant's Background

1. I am a Special Agent ("SA") for the Federal Bureau of Investigation ("FBI") currently assigned to the Milwaukee Field Division. I have been employed as a SA with the FBI since February 2023. I have received basic federal law enforcement training, including the training at the FBI academy, as well as other specialized federal law enforcement training. I have participated in the investigation of numerous criminal matters. I have used many investigative techniques in furtherance of such investigations. I have interviewed and operated informants, conducted searches and interviews, and have conducted physical and electronic surveillance. In my experience as a law enforcement officer, I have assisted in investigations, which have resulted in the issuance and execution of search warrants resulting in the seizure of evidence, and the arrest of individuals to include those involved in financial fraud, including wire fraud, in violation of 18 U.S.C. § 1343, and other violations of federal criminal law.

2. I have knowledge of the following information based on my own observations and investigation as well as information that I have learned from other law enforcement officers, to include but not limited to, verbal discussions with other law enforcement officers named in this affidavit. Because this affidavit is being submitted solely for establishing probable cause to obtain warrants, I have not included each and every fact known to your affiant concerning this investigation. I have set forth facts necessary to support the authorization of the requested search warrant.

Property Sought to be Seized

3. I submit this affidavit in support of an application for a warrant to seize up to 10,983.26 Tether (USDT) and .00000869 Bitcoin (BTC) cryptocurrency in the Binance account of User ID **23526766** held in the name of AQIB SHAIKH.

4. For the reasons set forth below, I submit that up to 10,983.26 Tether (USDT) and .00000869 Bitcoin (BTC) cryptocurrency held in the Binance account of User ID **23526766** are:

- a. Funds traceable to, and are therefore proceeds of, a wire fraud offense or offenses committed in violation of 18 U.S.C. § 1343, and therefore are subject to civil forfeiture under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1), and subject to criminal forfeiture under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c); and
- b. Subject to seizure via a civil seizure warrant under 18 U.S.C. § 981(b)(2) and via a criminal seizure warrant under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

Summary of Scheme to Defraud

5. There is probable cause to believe that up to \$10,983.84 in proceeds of a wire fraud scheme were involved in material misrepresentations and the use of the interstate wires in connection with a tech support fraud scam have been deposited, and comingled with other funds, in the Binance account of User ID **23526766**.

6. As part of the tech support fraud scam, a victim transferred approximately \$23,800 by means of wire, through text messages and cryptocurrency transfers, while located within the Eastern District of Wisconsin, to a subject located outside this judicial district.

Statement of Probable Cause **Oconomowoc, WI Fraud Scheme Overview**

7. On Monday, March 4, 2024, at approximately 4:56 PM, the City of Oconomowoc Police Department (“OPD”) received a report of theft by fraud from an individual having the

initials L.M., who resides at 9XX Lake Country Court, City of Oconomowoc, Waukesha County, Wisconsin. L.M. was defrauded \$23,800 as a result of a tech support scam.

8. On March 4, 2024, L.M. received a pop-up alert on her computer from Microsoft support claiming that her computer was hacked and to call the phone number +1 (206) 388-2003 for assistance. Based on publicly available information, case agents are aware that area code 206 is associated with the Seattle, Washington area, where Microsoft has its headquarters. L.M. called +1 (206) 388-2003 for assistance and spoke with a subject who purported to be a Microsoft employee. Based on their training and experience, and the investigation to date, case agents believe that the purported Microsoft employee obtained remote access to L.M.'s computer in an effort to gain information from L.M.'s computer.

9. OPD observed approximately eight phone numbers L.M. either called or received calls from on or about March 4, 2024. The phone numbers included: +1 (206) 388-2003, +1 (786) 864-4515, +1 (800) 935-9935, and +1 (866) 465-6821. Upon researching those phone numbers through various indices, the phone numbers returned to Twilio, TextNow, Bandwidth, and other Voice Over Internet Protocol (VoIP) numbers. Based on their training and experience, and the investigation to date, case agents are aware that Twilio, TextNow, Bandwidth, and other VoIP numbers are commonly used in fraud schemes to spoof legitimate businesses' phone numbers.

10. This type of fraud is commonly referred to as a "Tech Support Scam." Subjects involved in this type of scam commonly target elderly individuals. In fact, Microsoft Corporation documents on their website, "Protect yourself from tech support scams," with the following information:

Microsoft does not send unsolicited email messages or make unsolicited phone calls to request personal or financial information, or to provide technical

support to fix your computer. If you didn't ask us to, we won't call you to offer support.

If a pop-up or error message appears with a phone number, don't call the number. Error and warning messages from Microsoft never include a phone number.

Microsoft will never ask that you pay for support in the form of cryptocurrency like Bitcoin, or gift cards

11. The subject directed L.M. to go to her bank and withdraw \$23,800 (US Currency) and deposit \$23,800 into a ByteFederal Bitcoin ATM located at Okauchee Wine & Liquor (N50W34844 Wisconsin Ave, Okauchee, WI 53069). L.M. performed the first withdrawal on March 4, 2024, at approximately 11:50 AM, at Chase Bank in Oconomowoc, Wisconsin, in the amount of \$9,800. The second withdrawal occurred on March 4, 2024, at approximately 2:31 PM, at Chase bank in Delafield, Wisconsin, in the amount of \$14,000. The total amount withdrawn from L.M.'s account was \$23,800.

12. OPD confirmed, with Chase bank withdrawal receipts, that L.M. utilized the funds withdrawn from Chase Bank to deposit \$23,800 into the ByteFederal Bitcoin ATM.

13. OPD confirmed, with screenshots from the ByteFederal Bitcoin ATM deposit receipts, that L.M. deposited the following amounts of US Currency into the ByteFederal ATM on March 4, 2024:

- \$9,800.00 – ID: LPNCVRUKYY
- \$4,000.00 – ID: LY2G0EQIUP
- \$6,000.00 – ID: LACXB5VYRE
- \$4,000.00 – ID: LXHKJYQZA9

Oconomowoc, WI Cryptocurrency Tracing

14. On March 5, 2024, OPD sent the ByteFederal Bitcoin ATM transaction receipts to Dan Wellen, with Mid-States Organized Crime Information Center, for blockchain analysis. Wellen is a Senior Criminal Information Specialist who specializes in cryptocurrency

investigations. The screenshot transaction receipts contained the sending wallet address, receiving wallet addresses and the transaction ID information for the fraudulent transactions. Wellen identified the following information:

15. On or about March 4, 2024, approximately 0.0474694800 BTC (approximately \$2,993 in US Currency based on the average daily Bitcoin price on March 4, 2024) was transferred from the Bitcoin ATM to bc1qld94ew9hjmh5pquqvs56ujtgdaehsyystxpvg (referenced as “bc1ql”) which was immediately transferred to the Binance address 1AxMcFEpVzpNYFhwbAGG5oVnCZENLcasmb (referenced as “1AxM”) via transaction hash c96b7eeac089318a7a8f6eb0b05c858c42aa669710e8eacb1c426986c508c98c. Based on analysis performed by law enforcement, the “1AxM” address is associated with the cryptocurrency exchange Binance.

16. On or about March 4, 2024, approximately 0.11652868 BTC (approximately \$7,347 in US currency based on the average daily Bitcoin price on March 4, 2024) was transferred from the Bitcoin ATM to bc1qnqzvqrc7r37cr4wx3wus2mx35z8djh2pfgnrxr (referenced as “bc1qn”) which was immediately transferred to the Binance address 1AxMcFEpVzpNYFhwbAGG5oVnCZENLcasmb (referenced as “1AxM”) via transaction hash eed32837413048661341feb300e028acf477aaa66b33fb2c4c8c732523915eab. Based on analysis performed by law enforcement, the “1AxM” address with the cryptocurrency exchange Binance.

Identifying the Binance account of User ID 23526766

17. On or about March 6, 2024, law enforcement requested the account information associated with the address “1AxM” and transaction hashes eed32837413048661341feb300e028acf477aaa66b33fb2c4c8c732523915eab and c96b7eeac089318a7a8f6eb0b05c858c42aa669710e8eacb1c426986c508c98c from Binance.

Binance confirmed that this address is associated with Binance User **ID 23526766**. Binance provided the identifiers that are associated with Binance User **ID 23526766**.

18. According to Binance records, Binance User **ID 23526766** is in the name of AQIB SHAIKH, whose account was registered on or about March 31, 2022, utilizing a Government of India identification card. Analysis of the Binance user's account activity shows a deposit of approximately 0.0474694800 BTC and 0.11652868 BTC into Binance User **ID 23526766 account** utilizing a receiving address of "1AxM" and transaction hashes eed32837413048661341feb300e028acf477aaa66b33fb2c4c8c732523915eab and c96b7eeac089318a7a8f6eb0b05c858c42aa669710e8eacb1c426986c508c98c on March 4, 2024.

19. Further analysis by law enforcement of the User **ID 23526766's** Binance account identified that after the above BTC deposit, the account owner converted comingled funds of .2341792 BTC to approximately 15,000.00 USDT. The value of USDT Tether is tied to the value of the United States dollar, thus the current value is \$15,000.00. This is slightly larger than the amount of U.S. currency that was stolen from L.M.

20. Further analysis of the Binance user account records for **ID 23526766** show an account balance of 0.00000869 BTC and 10,983.26563996 USDT. On March 6, 2024, law enforcement requested Binance freeze the account of Binance user **ID 23526766** utilizing the name of AQIB SHAIKH.

21. Based on analysis of the IP addresses utilized to access the user's account, the user's account is primarily accessed utilizing IP addresses that geolocate to India. Based on the user's account information, as well as identity documents and access logs, law enforcement does not believe the individual resides within the United States.

22. I submit that a restraining order under 21 U.S.C. § 853(e) may not be sufficient to assure the availability of the funds for forfeiture because I have been advised of cases in which, even after restraining order or similar process has been issued to financial institution, the funds sought to be restrained were not effectively restrained by the financial institution. In my judgment, a seizure warrant would be the most effective way to assure the availability of the money sought to be seized for forfeiture.

Conclusion

23. Based on the facts and circumstances set forth in this affidavit, I submit that there exists probable cause to believe that up to 10,983.26 Tether (USDT) and .00000869 Bitcoin (BTC) cryptocurrency in the Binance account of User **ID 23526766** held in the name of AQIB SHAIKH are:

- a. Funds traceable to, and are therefore proceeds of, a wire fraud offense or offenses committed in violation of 18 U.S.C. § 1343, and therefore are subject to civil forfeiture under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1), and subject to criminal forfeiture under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c); and
- b. Subject to seizure via a civil seizure warrant under 18 U.S.C. § 981(b)(2) and via a criminal seizure warrant under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

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